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Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 15 August 2016 from the Permanent Mission of Finland to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Finland to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit herewith, with reference to paragraph 40 of Security Council resolution 2270 (2016), the report of Finland on the measures taken to implement effectively resolution 2270 (2016) (see annex).

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Annex to the note verbale dated 15 August 2016 from the Permanent Mission of Finland to the United Nations addressed to the Chair of the Committee

Report submitted by Finland to the Security Council Committee established pursuant to resolution 1718 (2006) on the measures taken to implement resolution 2270 (2016)

Finland has taken the following steps in order to effectively implement Security Council resolution 2270 (2016).

Measures adopted by the European Union

Finland and the other Member States of the European Union have jointly implemented the sanctions against the Democratic People's Republic of Korea imposed by the Security Council in its resolution 2270 (2016) by taking the following common measures:

- Council Decision (CFSP) 2016/319 of 4 March 2016 (*Official Journal of the European Union*, 'OJ', L 60, 5.3.2016, p. 78) and Commission Implementing Regulation (EU) 2016/315 of 4 March 2016 (OJ, L 60, 5.3.2016, p. 62), implementing the designation of additional persons and entities (travel ban and asset freeze).
- Council Decision (CFSP) 2016/476 of 31 March 2016 (OJ, L 85, 1.4.2016, p. 38) provides the basis for the implementation of measures imposed by resolution 2270 (2016), notably:
  - Extension of the export and import prohibitions;
  - Prohibition of the procurement from the Democratic People's Republic of Korea of coal, iron, iron ore, gold, titanium ore, vanadium ore and rare earth minerals;
  - Prohibition of the export to the Democratic People's Republic of Korea of aviation fuel, including aviation gasoline, naphtha-type jet fuel, kerosene-type jet fuel and kerosene-type rocket fuel;
  - Requirement to expel diplomats, government representatives or other nationals of the Democratic People's Republic of Korea acting in a governmental capacity, determined to be working on behalf or at the direction of a designated individual or entity, or of an individual or entity assisting in the evasion of sanctions or violating Security Council resolutions;
  - Requirement to expel nationals of third countries determined to be working on behalf or at the direction of a designated individual or entity or assisting the evasion of sanctions or violating Security Council resolutions;
  - Requirement to close representative offices of designated entities and expel their representatives, as well as the prohibition of direct or indirect participation in joint ventures or any other business arrangements involving designated entities;

- Prohibition of specialized teaching or training of nationals of the Democratic People's Republic of Korea;
- Extension of the cargo inspection requirement;
- Prohibition of the leasing or chartering of vessels or aircraft flagged by the Democratic People's Republic of Korea, or the provision of crew services to, among others, the Democratic People's Republic of Korea, designated individuals or entities or other entities of the Democratic People's Republic of Korea;
- Requirement to de-register any vessel owned, operated or crewed by the Democratic People's Republic of Korea;
- Prohibition to register vessels in the Democratic People's Republic of Korea, to obtain authorization for a vessel to use the flag of the Democratic People's Republic of Korea or to own, lease, operate, or provide any vessel classification, certification or associated service, or insure any vessel flagged by the Democratic People's Republic of Korea;
- Requirement to deny permission to any aircraft to land in, take off from or overfly if there are reasonable grounds to believe that the cargo contains items prohibited by Security Council resolutions;
- Requirement to prohibit the entry into ports of any vessel if there are reasonable grounds to believe that the vessel is owned or controlled by a designated entity or contains cargo prohibited by Security Council resolutions;
- Asset freeze on Government entities of the Democratic People's Republic of Korea, or the Worker's Party of Korea, or individuals or entities acting on their behalf or at their direction, or entities owned or controlled by them, determined to be associated with activities of the Democratic People's Republic of Korea prohibited by Security Council resolutions;
- Extension of the prohibition to maintain correspondent banking relationships with banks of the Democratic People's Republic of Korea;
- Obligation to close existing branches, subsidiaries and representative offices of banks of the Democratic People's Republic of Korea as well as obligation to terminate existing joint ventures, ownership interests and correspondent banking relationships with them within 90 days;
- Obligation to close existing representative offices, subsidiaries and banking accounts of EU financial institutions in the Democratic People's Republic of Korea within 90 days if there is credible information that provides reasonable grounds to believe that such financial services could contribute to the activities of the Democratic People's Republic of Korea prohibited by Security Council resolutions;
- Extension of the prohibition to provide financial support for trade with the Democratic People's Republic of Korea.

• Council Regulation (EU) 2016/682 of 29 April 2016 (OJ L 117, 3.5.2016, p. 1) amending Council Regulation (EC) No. 329/2007 (OJ L 88, 29.3.2007, p. 11)

provides for the implementation of the above measures falling within the scope of the Treaty on the Functioning of the European Union.

Certain provisions of resolution 2270 (2016) were already covered by the EU legislation in force, and hence did not require additional implementing measures. These provisions are referred to in the recitals of Council Decision (CFSP) 2016/476 for clarity.

Council Decision (CFSP) 2016/1341 (OJ, L 212, 5.8.2016, p. 116) and Council Regulation (EU) 2016/1333 (OJ, L 212, 5.8.2016, p. 1) of 4 August 2016 provide the basis for the implementation of the list of items, materials, equipment, goods and technology related to weapons of mass destruction-related items and identified and designated as sensitive goods pursuant to resolution 2270 (2016) (S/2016/308).

Furthermore, the European Union imposed additional restrictive measures against the Democratic People's Republic of Korea. These measures are provided for in Council Decision (CFSP) 2016/849 and Council Regulation (EU) 2016/841 of 27 May 2016.

National implementing measures

The above-mentioned EU Council Regulations are binding in their entirety and directly applicable in all Member States of the European Union. Regulation (EC) No. 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea requires Member States to determine the penalties applicable to infringements of its provisions.

At the national level, sanctions are enforced by virtue of the Act on the Enforcement of Certain Obligations of Finland as a member of the United Nations and of the European Union (Sanctions Act, No. 659/1967). The Sanctions Act together with the Criminal Code (No. 39/1889) provide for the penalties and forfeitures to be imposed for violations of EU Council Regulations.

According to chapter 46, section 1 (9), of the Criminal Code, a person who violates or attempts to violate a regulatory provision contained or issued on the basis of an EU Council Regulation on restrictive measures, shall be sentenced for a regulation offence to a fine or to imprisonment for at most two years. Pursuant to Chapter 46, Section 2 of the Criminal Code, the penalty for an aggravated regulation offence is at least four months and at most four years of imprisonment. Pursuant to chapter 46, section 3, of the Criminal Code, when the regulation offence is deemed petty, the offender shall be sentenced for a petty regulation offence to a fine.

The arms embargoes imposed by Security Council resolutions and EU Council Decisions are implemented at the national level by virtue of the Act on the Export of Defence Materiel (No. 282/2012). This legislation applies to all goods included in the Common Military List of the European Union (OJ, C 129, 21.4.2015, p. 1). The export of arms and related materiel and the provision of brokering services and other services related to military activities is subject to a specific authorization. Authorization will not be granted for the export of defence materiel to any country that is subject to arms embargo unless grounds for exemption exist for the type of export in question as provided by a Security Council resolution or EU Council Decision.

According to chapter 46, section 11, of the Criminal Code, violation or attempted violation of the authorization scheme referred to in the Act on the Export of Defence Materiel is punishable as a defence supplies export offence. The offender shall be fined or imprisoned for a maximum period of four years.

The Aliens Act (No. 301/2004) regulates the requirements concerning admission into Finland and visa issuance. The Aliens Act, together with Council Decision (CFSP) 2016/849 and Regulation (EC) No. 539/2001 of 15 March 2001, as amended, provides the basis for the refusal of admission and the denial of applications for visa concerning persons subject to travel ban.

Responsibility for the enforcement of EU restrictive measures is divided among the relevant national authorities. For example, the freezing of funds of a natural or legal person designated in a Council Regulation is executed by the bailiff at the request of the Ministry for Foreign Affairs. Other competent authorities include, inter alia, the National Bureau of Investigation, the Finnish Border Guard and Finnish Customs.